



ANNUAL REPORT 1972

Directors

†*Alberto Cefis, Montreal
President, Metrinvest Limited

*Hon. George B. Foster, Q.C.,
Montreal
Senior Partner, Foster, Leggat, Colby & Rioux, Advocates

John H. Gaffney, Nassau
Director, Trust Corporation of Bahamas Ltd.

Roger Garon, St. Hyacinthe, Que.

Conrad F. Harrington, Montreal
Chairman and Chief Executive Officer, The Royal Trust Company

Alfred M. Kinsman, Montreal
Vice-President

*René Leclerc, Montreal
Vice-Chairman of the Board, Bank Canadian National

*Germain Perrault, Montreal
Chief General Manager, Bank Canadian National

*The Hon. Lazarus Phillips, O.B.E., Q.C., LL.D., Montreal
Senior Partner, Phillips, Vineberg, Phillips & Rothman, Advocates

Claude Pratte, Q.C., Quebec City, Que.

*Kenneth G. Stodola, Montreal
Vice-President and General Manager

*Dr. P. C. Viglio**, Milan, Italy

Officers

The Hon. Lazarus Phillips, O.B.E., Q.C., LL.D., Chairman of the Board

**Dr. P. C. Viglio,
Chairman of the Executive Committee and President

†Alberto Cefis,
Chairman of the Executive Committee and President

Kenneth G. Stodola,
Vice-President and General Manager

Alfred M. Kinsman,
Vice-President

Lars Firing,
Vice-President Marketing

Nadeem Khan,
Corporate Secretary

Antoine Hawara,
Treasurer

DOMCO Subsidiaries

Domco Vinyls Limited, Brantford, Ontario • Edina Interchange Corporation, Minneapolis, Minnesota • Manufacturers Holdings Limited, Montreal, Quebec • Allied-Martin Limited, Mississauga, Hamilton, Ottawa, London, Ontario • Les Distributeurs Orléans Ltée., Quebec City, Quebec • Zenith Enterprises Company Ltd., Montreal, Quebec City, Quebec • Domcor Enterprises Limited, Winnipeg, Manitoba; Calgary, Edmonton, Alberta; Vancouver, British Columbia; Halifax, Sydney, N.S.; Charlottetown, P.E.I.

Jointly-Owned Company
Coronet Carpets Limited, Farnham, Quebec

Transfer Agents
The Royal Trust Company, Montreal and Toronto

Registrar
Bank of Montreal, Montreal and Toronto

Auditors
Hyde, Houghton & Co., Chartered Accountants, Montreal and Toronto

Annual Report of the Directors to the Shareholders

Your Directors submit herewith for your consideration the Consolidated Financial Statements of your Company and its subsidiaries for the year ended October 31st, 1972, which show a net operating loss of \$6,739,717. Included in this figure are certain non-recurring product development and start-up costs amounting to approximately \$675,000 related to the new production facilities at Farnham, Quebec.

In keeping with the stated policy of your Company to produce new products which satisfy modern consumer demands and to concentrate its manufacturing operations in Farnham, Quebec, the Company's Congoleum manufacturing plant in Montreal was sold on November 2, 1972, pursuant to an Offer to Purchase accepted on October 26, 1972, at a loss of \$3,415,901. For the same reason it has been decided to make a provision for loss in the amount of \$700,000 on future fixed asset disposals, including in particular the sale of the manufacturing plant of the Company's wholly owned subsidiary, Domco Vinyls Limited, located in Brantford, Ontario.

Having regard to the operating loss and on the advice of your

Company's auditors, all deferred income tax, reflected in the financial statements of previous fiscal years, in the sum of \$2,062,927 has been written off. It is hoped, however, that recovery of the loss attributable to such write-off may be available in future years.

In a letter to you dated January 26th, 1973 you were advised that, notwithstanding the losses incurred in the past fiscal year, a group of major shareholders had agreed, subject to completion of all legal requirements and approval of all regulatory authorities, to subscribe for 400,000 common shares at \$5.00 per share, thereby providing additional paid up capital of \$2,000,000. In order to have a sufficient number of shares available for issue to the subscribers, your Directors have enacted Special By-law "B" providing for an increase in the authorized capital of your Company and a Special General Meeting will be held concurrently with the Annual Meeting so that this by-law may be submitted for your consideration and approval. It is hoped that this infusion of permanent capital will be conducive to the stabilization of your Company's finances.

Your Company has reluctantly decided, pursuant to its legal rights,

to terminate its Employee Pension Plans in an effort to reduce operating costs, but hopes to re-establish pension plans for its employees when an improved financial position would so permit.

You have been informed of changes in executive personnel. The present Management has advised your Directors that major changes are being made in respect of production, costing and distribution that should be reflected in improved prospects for your Company. The Company's entire product range is being revamped in order to eliminate all unprofitable lines, and Management believes that the fewer and larger production runs thus resulting should allow for improved efficiency in manufacturing and service to distributors.

On the brighter side, your Company's 50% subsidiary, Coronet Carpets Limited, continued its growth in both sales and profits during the 1972 fiscal year. The major capital expansion program of this Company at Farnham reported to you last year is almost completed and will give it the needed capacity for future growth.

All of the shares of Edina Interchange Corporation previously

owned by your Company were sold on November 17, 1972 and your Company has realized an over-all substantial profit on its original investment.

Your Company's policy of concentrating its manufacturing operations and updating its product lines are reflected in the fact that it is now the only producer in Canada of twelve-foot wide sheet vinyl flooring materials. Because its competitors must at present rely on foreign sources for such products your Company anticipates strengthening its position in this segment of the Canadian market.

Your Directors wish to express their sincere thanks and appreciation to all officers and employees for their loyalty and continued efforts during this difficult period.

On behalf of the Board,



P. C. Viglio,
President
February 28, 1973



DOMCO

INDUSTRIES LIMITED

CONSOLIDATED BALANCE SHEET AS AT OCTOBER 31, 1972

(With comparative figures as at October 31, 1971)

Assets

Current

	1972	1971
Cash	\$ 539,842	\$ 719,353
Accounts receivable	10,482,810	9,911,249
Loans to shareholders	32,130	32,130
Inventories valued at the lower of cost and net realizable value	8,723,078	8,635,156
Income taxes recoverable	22,449	28,148
Prepaid expenses	<u>127,470</u>	<u>709,599</u>
	<u>19,927,779</u>	<u>20,035,635</u>
Investments in Coronet Carpets Limited (Note 1)	1,379,460	1,242,891

Fixed

Land, buildings and equipment, at cost	18,960,996	23,737,065
Less accumulated depreciation	<u>10,816,573</u>	<u>12,515,892</u>
	<u>8,144,423</u>	<u>11,221,173</u>
Goodwill	50,000	50,000
Excess of cost of shares of subsidiaries over net book values at dates of acquisition	<u>1,154,170</u>	<u>1,137,497</u>
	<u>\$ 30,655,832</u>	<u>\$ 33,687,196</u>

Liabilities

Current

	1972	1971
Bank loans (Note 8)	\$ 7,289,000	\$ 9,022,000
Accounts payable and accrued expenses	7,591,467	5,339,874
Income and other taxes payable	318,005	676,559
Loans payable	—	599,551
Instalments of long-term debt due within one year	—	104,942
 Long-term debt (Note 2)	 15,198,472	 15,742,926
	11,662,305	2,921,357

Shareholders' equity

Capital stock (Notes 4, 5 and 9)

Authorized: 1,500,000 Shares of no par value common stock		
Issued and fully paid: 770,200 Shares (1971: 768,500 shares)	6,443,656	6,436,380
 (Deficit) retained earnings	 (2,648,601)	 8,586,533
	 3,795,055	 15,022,913
	 <hr/> \$ 30,655,832	 <hr/> \$ 33,687,196

Approved by the Board of Directors

A. G. MAZZA, Director

A. M. KINSMAN, Director



INDUSTRIES LIMITED
CONSOLIDATED STATEMENT OF INCOME
YEAR ENDED OCTOBER 31, 1972

	1972	1971
Net sales	<u>\$ 29,199,276</u>	<u>\$ 27,072,823</u>
Operating loss before the following items (Note 7)	<u>\$ 6,821,355</u>	<u>\$ 3,196,721</u>
Income from investments — Coronet Carpets Limited	44,747	23,230
Equity in current earnings of Coronet Carpets Limited	160,657	109,347
Income tax	<u>(123,766)</u>	<u>(262,522)</u>
	81,638	(129,945)
Net operating loss for the year	<u>6,739,717</u>	<u>3,326,666</u>
Past service pension costs and pensioners' life insurance benefits (Note 9)	379,516	379,876
Net loss for the year before extraordinary items	7,119,233	3,706,542
Extraordinary items		
Loss on disposal of fixed assets	4,115,901	—
Gain on sale of investments	—	7,370
Net loss for the year	<u>\$ 11,235,134</u>	<u>\$ 3,699,172</u>
 CONSOLIDATED STATEMENT OF DEFICIT YEAR ENDED OCTOBER 31, 1972		
Retained earnings at beginning of year		
As previously reported	\$ 14,348,632	
Adjustment to write off deferred income tax charge (Note 1)	2,062,927	
As restated	\$ 8,586,533	12,285,705
Net loss for the year	<u>11,235,134</u>	<u>3,699,172</u>
(Deficit) retained earnings at end of year	<u>(\$ 2,648,601)</u>	<u>\$ 8,586,533</u>



INDUSTRIES LIMITED
CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF
WORKING CAPITAL
YEAR ENDED OCTOBER 31, 1972

Source of working capital	1972	1971
Long-term bank loans	\$ 4,265,000	\$ 2,440,000
9% Convertible debentures (Note 3)	2,500,000	—
Increase in mortgages payable	2,300,000	166,522
Disposals of fixed assets	659,544	672,116
Proceeds from sale of securities	—	130,082
Issue of common stock (Note 5)	7,276	36,380
Proceeds from repayment of 8½% mortgage	—	3,050,556
Deferred income tax	—	59,777
Increase in minority interest in subsidiary	—	5,925
	9,731,820	6,561,358
Application of working capital		
To operations:		
Net loss for the year	11,235,134	3,699,172
Charges to losses not requiring funds —		
Depreciation	(977,978)	(535,895)
Loss on disposals of fixed assets	(3,415,901)	—
Provision for loss on future fixed asset disposals	(700,000)	—
Credits to losses not providing funds —		
Equity in current earnings of Coronet Carpets Limited — net of dividends earned	136,569	81,348
Gain on sale of investments	—	7,370
Additions to fixed assets	6,277,824	3,251,995
Payments against long-term debt	2,676,673	6,718,069
Excess of cost of assets acquired over book value	324,052	139,477
Excess of cost of shares of subsidiary over net book value at date of acquisition	—	50,000
	16,673	—
Increase (decrease) in working capital	9,295,222	10,159,541
Working capital at beginning of year	436,598	(3,598,183)
Working capital at end of year	\$ 4,729,307	\$ 4,292,709

Note 1.

Basis of consolidation and change in accounting practice:
 The consolidated financial statements include the accounts of Domco Industries Limited and all subsidiary companies. The company's investments in Coronet Carpets Limited, a 50% owned company, have been accounted for on the equity basis. All companies had twelve-month fiscal periods ended October 31, 1972.

The company has changed from its policy of accounting for the income tax benefit arising from depreciation recorded in the accounts but not claimed for tax purposes. This decision has been made because, in the opinion of management, sufficient undepreciated capital cost exists to effectively reduce future income taxes after the utilization of past losses carried forward. The benefits that will accrue to future years will be reflected in the financial statements when realized.

The effect of this change has been applied retroactively and the 1971 comparative figures have been restated accordingly.

Note 2.

Long term debt:
 Bank loans (Note 8) —
 —payable at \$1,000,000 per annum beginning in 1973 at prime rate plus 1½% \$ — \$ 2,440,000
 —due December 31, 1978, interest at 9% per annum 705,000 —
 —due December 31, 1976, interest at prime rate plus 1½% 1,000,000 —
 —due December 31, 1977, interest at prime rate plus 1½% 2,000,000 —
 —due December 31, 1978, interest at 9% 1,000,000 —
 —due December 31, 1974, interest at 9% 1,000,000 —
 —due December 31, 1975, interest at 9% 1,000,000 —
 Balance of purchase price payable for the shares of a subsidiary —
 6% Mortgage notes, secured by real estate, due upon sale of land parcels or at maturity which is in 1975 —
 5¾% Mortgage notes secured by rental property, payable in monthly instalments, due 1986 157,305 295,487
 9% Mortgage to The Royal Trust Company, payable monthly and due December, 1973 — 166,522
 Mortgage note payable with interest at 2% above prime rate, with pledge of real estate in the Edina Interchange Corporation, due \$200,000 annually, balance due in 1976 1,400,000 —
 9¾% Mortgage payable August 1, 1974, secured by real estate in Brantford, Ont. 900,000 —
 9% Convertible debentures (Note 3) 2,500,000 —
 Less amounts due within one year 11,662,305 3,026,299
 — 104,942

1972
1971
Note 3.

Convertible debentures: \$2,500,000 9% Convertible debentures were issued, dated October 15, 1972 and maturing April 15, 1980, with interest payable April 15 and October 15 of each year beginning in April, 1973. These debentures are convertible at any time up to April 15, 1980 into the number of common shares obtained by dividing the principal amount of the debentures outstanding by a conversion price of \$8 per share or under such other terms and conditions as are set out in a trust agreement dated October 15, 1972, between the company and the Royal Trust Company, as trustee for the debenture holders.

Note 4.

Capital stock:
 Supplementary letters patent were obtained, dated September 14, 1972, increasing the authorized capital stock from 1,000,000 shares without nominal or par value to 1,500,000 shares without nominal or par value.

Note 5.

Shares reserved by agreements:
 Under the terms of the Employees' Stock Purchase Plan, options for 1,700 shares were exercised for \$7,276 cash during the year. There remain outstanding options for 5,200 shares. These options are exercisable at the rate of 1,300 shares per year in each of the next four years, at a price which is determined by the executive committee. None of the options presently outstanding are for the benefit

of directors or officers of the company.

The company has granted to its bankers an option to acquire 187,500 shares at a price of \$8 per share exercisable at any time between October 15, 1972 and October 15, 1977.

Note 6.

Contingent Liabilities:

In connection with the financing of certain of its subsidiaries and Coronet Carpets Limited, the company has entered into the following arrangements:

- (a) Guaranteed the annual rental payments of subsidiaries in the amount of \$142,350 under leases expiring on different dates from 1973 to 1982.
- (b) Guaranteed jointly with Coronet Industries Inc. a mortgage loan payable by Coronet Carpets Limited in the amount of \$601,488.
- (c) Guaranteed the repayment by Coronet Carpets Limited of \$1,750,000 of the latter company's bank loan.

Edina Interchange Corporation is the co-guarantor of certain mortgage notes payable in the amount of U.S. \$499,500.

Note 7.

Operating loss:

Operating loss is shown after charging the following:

Depreciation	\$977,978
Deferred development costs incurred prior to 1971/72	537,210
Start-up costs associated with the new production facilities at Farnham,	
Que.	136,860
Remuneration to directors and officers as follows:	
Number of directors — 12; remuneration as directors —	

\$17,006; number of officers — 6; remuneration as officers — \$174,364; number of officers who are also directors — 3.

Note 8.

Undertakings to secure bank debts: The company and certain of its subsidiaries have issued interim bond certificates in the aggregate amount of \$34,750,000 in favour of the companies' bankers as security for bank loans. A revised trust deed is to be entered into between the companies and Trust Général du Canada as trustee. The trust deed will provide for a charge on all of the assets of the companies involved with the exception of the company's shares of Coronet Carpets Limited and the real estate of a subsidiary in Brantford, Ontario. The shares of Coronet Carpets Limited, however, are held by the bank as collateral security. The real estate in Brantford will also fall under the terms of the trust deed whenever the existing mortgage on that property is repaid.

Note 9.

Events subsequent to the balance sheet date:
In November, 1972, the company sold all of its shares in Edina Interchange Corporation for \$1,000,000 cash, which resulted in a net gain on this investment of \$25,811. As an integral part of the sale, the purchaser has agreed to indemnify Domco for any tax or other liabilities now existing or subsequently arising from Domco's ownership of Edina.

On January 22, 1973, the Board of Directors approved special By-Law "B" which, if sanctioned and confirmed by the shareholders and further confirmed by supplementary letters patent, would increase the

authorized capital of the company from 1,500,000 common shares without nominal or par value to 1,887,765 common shares without nominal or par value.

Effective January 1, 1973, the company has discontinued the Domco Retirement Plan (Salaried Employees) and Domco Pension Plan (Hourly-Paid Employees).

Auditors' Report

To the shareholders,
Domco Industries Limited

We have examined the consolidated balance sheet of Domco Industries Limited and its subsidiaries as at October 31, 1972 and the consolidated statements of income, deficit and source and application of working capital for the year then ended. For Domco Industries Limited and those subsidiaries of which we are the auditors, our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances. With respect to those subsidiaries and Coronet Carpets Limited, of which we are not the auditors, we have carried out such inquiries and examinations as we considered necessary in order to accept, for purposes of consolidation, the reports of the other auditors.

In our opinion, these consolidated financial statements present fairly the financial position of the company and its subsidiaries as at October 31, 1972 and the results of their operations and the source and application of their working capital for the year then ended, in accordance with generally accepted accounting principles which, except for the change in the application of accounting principles referred to in Note 1 to the financial statements, have been applied on a basis consistent with that of the preceding year.

HYDE, HOUGHTON & CO.,
Chartered Accountants
February 14, 1973.

Domco and the floor covering industry

Domco Industries Limited directly and through subsidiaries and an affiliate, manufactures and distributes a wide range of floor coverings in Canadian and foreign markets.

The principal business of Domco is the manufacturing and distribution of "resilient" floor coverings. Domco is also a leading manufacturer and distributor of tufted carpets through its affiliate, Coronet Carpets Limited.

The industry distinguishes two broad categories of floor coverings: resilient floor coverings, and carpets.

Resilient floor coverings: —

The most widely accepted resilient floor covering material today is vinyl in either rolls or tiles. The range of products available is comprehensive with a variety of qualities, thicknesses, sizes, prices, colours, patterns and designs to satisfy the consumers' needs and tastes.

There are currently three basic types of sheet vinyl floor coverings:

One, called "roto-vinyl", has a wear surface of thin transparent vinyl bonded over an imprinted (rotogravured) felt back. The roto-vinyls are the least expensive and since they need not be cemented into place, they have mass market appeal.

The second, "cushioned vinyls", are somewhat similar but more handsome in visual appearance to roto-vinyls. The wear layer is a film of usually greater thickness and, to give greater underfoot comfort, there is a layer of foamed vinyl "sandwiched" between the base layer and the wear layer.

The other type simply referred to as "sheet vinyl" has a relatively thick, nearly pure, vinyl wear layer that embodies the colours and patterns, usually in random depth. One type of "sheet vinyl" has colours and designs that penetrate throughout the full depth of the vinyl and thus is referred to as "inlaid" vinyl sheet.

This product was developed by Domco who has patents pending for it and sells under the registered trademark "KaRAMIK".

Sheet vinyls are used in commercial and residential areas.

There is an extensive market for vinyl tiles which are predominantly of the vinyl asbestos type. Vinyl Asbestos tiles are usually sold in size 12" x 12" and come in different thicknesses and decorative effects.

Carpets: —

Domco manufactures tufted carpets at Farnham, Quebec, through its affiliate, Coronet Carpets Limited, jointly owned by Domco Industries Limited and Coronet Industries Inc. of Dalton, Georgia, a subsidiary of RCA.

The popularity of tufted carpets has increased rapidly since their commercial introduction about 1949.

In August 1966, the mill at Farnham, equipped for tufting, dyeing and finishing carpets, was completed. Domco thus became the first resilient floor covering manufacturer in Canada and the second in North America to engage also in the production of carpets — a strategem which has since become something of a business pattern in the industry.

The sales of Coronet carpets over the past few years have been climbing at a growth-rate ahead of the national average. Plant capacity was almost doubled in 1969 and has just been doubled again.

1972 marked Domco's 100th year in the floor covering industry

Domco Industries Limited had its beginning in 1872 when the Company's main product was oilcloth tablecovers. In the course of time, oilcloth floor covering was manufactured, to be followed later by linoleum. The Company was then known as Dominion Oilcloth & Linoleum Co. Limited. Oilcloth floor coverings were

later superseded by enamel printed felt base floor coverings and eventually, in that particular product category, the Company's main product was "Congoleum" made by the Company's wholly-owned subsidiary, Congoleum Canada Limited.

Following World War II, certain U.S. asphalt tile producers opened Canadian plants which were subsequently switched to the production of a superior product, "Vinyl Asbestos Tile". This new product gradually superseded asphalt tile in the market place.

In 1965, Domco moved more importantly into the production of sheet vinyl. That same year, a revolutionary vinyl product had been developed and patented in the United States — "Chemically-Embossed, Cushioned Sheet Vinyl". Domco immediately took steps to acquire a manufacturing license and commenced production in 1967.

More recently, market trends having proved that the demand in "resilients" was shifting rapidly from vinyl sheet products of 6' wide, to widths of 9 and 12 feet, Domco has become the only manufacturer in Canada of those wider widths.

It is of special significance to note that today, Domco does not manufacture any resilient floorings of a type made prior to 1956. Only one group (Vinyl Asbestos Tiles) of the Company's current range of products dates as far back as sixteen years. Of the rest, Cushioned Vinyls, 6 feet wide, were introduced to Canada by the Company just six years ago and the others were not being made at all in Canada just over a year ago. The current line-up of Domco resilient floor covering products carries the following name identities:

Inlaid Sheet Vinyl:
6' and 12' wide
KaRAMIK '90'; '75'; '65'.

Cushioned Sheet Vinyl:
6', 9' and 12' wide
SUPERFLOR; HUSHFLOR;
CUSHIONFLOR; MODULFLOR.

Rotogravured Sheet Vinyl:
6', 9' and 12' wide
VINYLTON; VINYLON.

Vinyl Asbestos Tile:
CONCORDE; TRAVERTINE;
TRAVISTA; PALMETTO;
BELMONT; VALLEYSTONE;
BROOKSTONE; CATANIA; AVILA;
ENCORE; SELF-STIK.

Present manufacturing facilities

All the manufacturing facilities of DOMCO have recently been modernized and centralized in Farnham, Quebec. Two plants in Montreal have been disposed of and the plant in Brantford is for sale.

The Company owns at Farnham 14 acres of land, 6 of which are occupied by buildings comprising 435,000 square feet of manufacturing and warehousing space. The Coronet Carpet mill, also located in Farnham, contains the most modern facilities. Coronet Carpets owns 11 acres of land of which 190,000 square feet is manufacturing and warehousing space.

Marketing and distribution

Domco products (resilient and carpets) are principally distributed to the general retail trade, home improvement centres and contract specialists through a dual wholesale distribution system: (a) a grid of independent wholesale stockists; (b) a wholly-owned wholesale marketing and distribution network.

Domco is the only resilient floor coverings producer having a wholly-owned national wholesale distribution network. Coronet carpets are distributed through the same system so that the Company's wholly-owned distributors are capable of servicing the total floor covering trade.

The Company's products are also sold through the two major mail order houses in Canada and are widely used by manufacturers of mobile and other manufactured homes.

Rapport des vérificateurs

Nous avons examiné le bilan consolidé de les industries Domgo Limitée et ses filiales au 31 octobre 1972, ainsi que les états consolidés des revenus du difficile et des prévisions à la fin de l'année.

L'égard de la Les industries Dolco Limitee des filiales dont nous sommes les vérificateurs, notre examen a comparé une revue générale des procédés comptables de les livres s'assures dans les autres preuves à l'appui que nous avons juges nécessaires dans les circonstances. En ce qui a trait à Cordon Chapelets compatibles et les standards de livres limité et d'autres filiales dont nous ne sommes pas les vérifica- tures, nous avons mené des enquêtes et les examens que nous avons effectués pour pouvoir accepter, vu notre mandat d'établir les juges nécessaires pour soutenir les rapports des vérificateurs qui en ont examiné les états financiers.

A notre avis, ces résultats financiers sont très bons pour l'exercice précédent. Au cours de l'année, la situation financière de la compagnie a été très bonne, grâce à une forte croissance des résultats d'exploitation, ainsi qu'à une forte augmentation des résultats financiers de la compagnie au cours de l'année. La compagnie a également bénéficié d'une forte croissance des résultats financiers de ses filiales au cours de l'année. La compagnie a également bénéficié d'une forte croissance des résultats financiers de ses filiales au cours de l'année. La compagnie a également bénéficié d'une forte croissance des résultats financiers de ses filiales au cours de l'année.

HYDÉ, HUGHION & CO.
comptables agréés
le 14 février 1973

Nombre d'administrateurs : 12;
remunération comme telles : \$17,000; nombre de cadrés
remunération comme telles : \$17,000; nombre de cadrés
superieurs : \$174,366; nombre de cadres
comme telles : \$174,366; nombre
de cadres supérieurs qui sont
aussi administrateurs : 3.

1972 1971

ETAT CONSOLIDÉ DE LA PROVENCANCE ET DE L'UTILISATION DU FONDS DE ROULEMENT
EXERCICE CLOS LE 31 OCTOBRE 1972

DOMCO INDUSTRIES LTD.



EXERCICE CLOS LE 31 OCTOBRE 1972
 ÉTAT CONSOLIDÉ DES REVENUS

Ventes nettes	\$ 27,072,823	Perre d'exploitation avant postes suivants (Note 7)	Revenu de placement — Coronet Carpets Limited	Avoir de la compagnie dans les bénéfices courants de Coronet Carpets Limited	Impôts sur le revenu	Postes extraordinaires	Perre à la vente d'imobilisations	Gain à la vente de placements	Exercice clos le 31 octobre 1972	État consolidé du déficit	Bénéfices réinvestis dans l'entreprise, au début de l'exercice	Tels que déjà présentés	Redressement annulant les impôts sur le revenu reportés (Note 1)	Chiffres redressés	Perre nette de l'exercice	(Déficit) bénéfices réinvestis dans l'entreprise, à la fin de l'exercice	
\$ 3,196,721	\$ 6,821,355	\$ 44,747	\$ 160,657	\$ (123,766)	\$ 81,638	\$ 6,739,717	\$ 3,326,666	\$ 129,945	\$ 7,119,233	\$ 4,115,901	\$ 3,699,172	\$ 7,370	\$ 3,706,542	\$ 3,706,542	\$ 4,115,901	\$ 11,235,134	\$ 8,586,533
\$ 23,203	\$ 44,747	\$ 109,347	\$ 160,657	\$ (123,766)	\$ 81,638	\$ 6,739,717	\$ 3,326,666	\$ 129,945	\$ 7,119,233	\$ 4,115,901	\$ 3,699,172	\$ 7,370	\$ 3,706,542	\$ 3,706,542	\$ 4,115,901	\$ 11,235,134	\$ 8,586,533
\$ 23,203	\$ 44,747	\$ 109,347	\$ 160,657	\$ (123,766)	\$ 81,638	\$ 6,739,717	\$ 3,326,666	\$ 129,945	\$ 7,119,233	\$ 4,115,901	\$ 3,699,172	\$ 7,370	\$ 3,706,542	\$ 3,706,542	\$ 4,115,901	\$ 11,235,134	\$ 8,586,533

1971

1972

1971

1972

Exigibilités	
Emprunts bancaires (Note 8)	\$ 7,289,000
Comptes à payer et dépenses courues	7,591,467
Impôts sur le revenu et autres taxes à payer	318,005
Emprunts exigibles	599,551
Versements sur la dette à long terme exigibles d'ici un an	104,942
Dette à long terme (Note 2)	15,198,472
.....	—
.....	11,662,305
Autorisé: 1,500,000 actions ordinaires sans valeur au pair	6,436,380
Emis et émis en remplacement: 770,200 (768,500 en 1971)	6,443,656
(Déficit) bénéfices réinvestis dans l'entreprise	(2,648,601)
Autorisé: 1,500,000 actions ordinaires sans valeur au pair	3,795,055
Emis et émis en remplacement: 770,200 (768,500 en 1971)	15,022,913
.....	\$ 33,687,196

Capital-actions (Notes 4, 5, et 9)	
Emis et émis en remplacement: 770,200 (768,500 en 1971)	6,436,380
.....	3,795,055
.....	15,022,913
.....	\$ 33,687,196

un administrateur, A. M. KINSMAN
un administrateur, A. G. MAZZA
Approuvé par le conseil d'administration

Actif

Disponibilités

sa

581

comp

BILAN CONSO

1150

ES INDUSTRIE

AVEC CHIFFRES COMPARATIFS AU 31 OCTOBRE 1971

BILAN CONSOLIDE AU 31 OCTOBRE 1972

LES INDUSTRIES DUMECQ LIMITÉE

ES INDUSTRIES

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Le 28 février 1973
P. C. Vigilio.



Le nom du conseil d'administration,
le président,

exprime leur sincére remer-
ciements et leur gratitude à tous
les membres de la direction et
leurs employés pour leur fidélité et
leur dévouement dans ce rôle.
La période difficile.

Leur position dans ce sec-
teur du marché canadien.

affirmer sa position dans ce sec-
teur du marché canadien.

La compagnie a pris pour règle
de conduire ses opérations de pro-
duction à jour ses gammes de pro-
duits. On peut le constater au fait
qu'elle est maintenant à la seule
entreprise au Canada à fabriquer
des unités de fabrication des feuilles
de cuivre-planchers en feuilles
de vinyle de douze pieds de lar-
geur. Nos compétiteurs doivent
maintenant s'approvisionner à
l'étranger pour les articles.

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l'étranger pour les articles.

Toutes les actions d'Edina liner-
scapement détenues par la
compagnie ont été vendues le 17
novembre 1972 et la compagnie a
perdu le bénéfice total apprise-
nable sur le capital investi à l'origine.

Les admissions administratives vous pré-
sentent ici les établissements financiers
convertis de la compagnie terminée
ses filiales pour l'exercice terminé
le 31 octobre 1972, qui revient à la
mise en place des mesures en rapport
avec le produit et le résultat à la
compagnie française extraordinaire de
\$6,739,717. Ce chiffre comprend
certains frais d'exploitation de
\$675,000 environ et relatifs à la
nouvelle usine de Farham (P.Q.).

Conformément à la règle de
conducte établie, qui vaut que la
compagnie reborde de nouveaux
produits répondant aux exigences
de la consommation moderne et
concentrées dans les installations de
l'usine fabriquant du Congolium
à Montréal a été rendue le 2
novembre 1972 à la suite d'une
offre d'achat acceptée le 26
octobre 1972 à 125% de la prete
de \$3,415,901. On a décidé pour
servir la même raison de créer une ré-
la vente éventuelle d'immeubles
tions, comprendre en particulier
l'implantation dans les états financiers
imparts sur le rendement des opérations qui
tours de la compagnie, toutes les
tions sur l'avantage des expatria-
tion des survivants laissés derrière.

Rapport annuel des administrateurs aux actionnaires

Filiales de Domco

Direction

Administrateurs

RAPPORT ANNUEL 1972



LES INDUSTRIES LIMITÉE